



Thames Valley Berkshire Local Economic Partnership

Independent Assessment Summary Report: A332 Route Enhancement

Full Business Case Independent Assessment

WYG
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4			



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Appendices

Appendix A – Business Case Checklist

1 Executive Summary

- 1.1 This technical note provides an independent review of the A332 Route Enhancement Business Case submission to the Thames Valley Berkshire Local Enterprise Partnership.

SCHEME SUMMARY

- 1.2 The A332 Route Enhancement provides a range of infrastructure improvements along a 0.5km section of the A332, Slough including junction improvements, road widening and other works, with the aim of improving conditions for general traffic as well as buses along this strategic route.
- 1.3 The design also includes public realm enhancements linked with the 'Heart of Slough' regeneration project.

REVIEW FINDINGS

- 1.4 The review of the submitted Business Case identified the following:
- 1.5 The Business Case is detailed and comprehensive and addresses all of the main areas expected within a major scheme Business Case submission (checklist provided as **Appendix A**).
- 1.6 Based on revised BCR information received from Atkins, the stated Benefit to Cost Ratio (BCR) of the scheme is 2.1. However, the PVB value has been incorrectly inputted within Table 4-4 and should equate to 11,163 rather than 10,965 as stated. As a consequence this alters the NPV to 5,650 rather than the stated 5,452 and leads to an actual BCR of 2.025 which it is agreed still represents a High Value for Money (VfM) scheme.
- 1.7 It should be noted that the ASR identifies that the traffic model used has not been revalidated to a new base year. Instead, to reflect major network changes since 2010 the model has been adjusted and subsequently tested using TomTom journey time data for 2014 as a result it is agreed that the model is comparable to existing conditions.

2 Process

MEETINGS

- 2.1 An initial project inception meeting was held at the Atkins Euston Towers Offices on 25th September 2014 to introduce the scheme and to discuss the timescales and requirements for the full Business Case submission.
- 2.2 This was followed by subsequent telephone discussions and emails during September, October and November 2014 to discuss queries on the scheme assessment work. It is recommended that the business case submitted to WYG is updated to reflect the comments provided, in particular those made post submission of the business case on 31/10/14.

OPTION ASSESSMENT REPORT / APPRAISAL SPECIFICATION REPORT

- 2.3 As part of the submission of documents for independent review, an OAR and ASR have been provided alongside the Full Business Case. This allowed an informative review of the options which have been appraised to form the proposal which is to be taken forward and the modelling conducted to evaluate what benefits would be created as a result.
- 2.4 It was identified that there were five options identified to be assessed within the OAR, these included;
- i) Do Minimum – This option includes the development of SMaRT bus priority scheme on the A4 and completed signal improvements on the A332.
 - ii) Windsor Road Signal Improvement – This option considers an upgrade to the signals at all junctions on the A332 to MOVA.
 - iii) Windsor Road Junction Improvement – This option considers increasing capacity, and the introduction of pedestrian facilities at junction on the A332 Windsor Road, including improvements to Herscel Street and the High Street Junctions and public realm enhancements to the north of Windsor Road.
 - iv) Windsor Road Capacity Improvement – This option considers the widening of A332 Windsor Road to four lanes along its length and includes public realm enhancements to the north of Windsor Road.

- v) Windsor Road PT Improvement – This option considers the A332 Route Enhancements as above with the provision of dedicated north and south bound bus lanes and includes public realm improvements to the north of Windsor Road.

- 2.5 The OAR concludes that the scheme to be taken forward for final assessment would be a package of measures of signal improvements and highway widening due to the different localised constraints as opposed to one single scheme.
- 2.6 The ASR includes information concerning the specifics of how the modelling for the scheme to be taken forward for development has been undertaken to create the benefits which can be identified within the FBC.
- 2.7 The model is a SATURN model using Fixed Assignment, and includes a public transport assignment model in EMME and a DIADEM model for assessing the impact of highway interventions. COBALT has also been used to identify if there is an increase in accidents resulting in the development of the scheme and has used the 'Link and Junction Combined' method for assessment.

BUSINESS CASE REVIEW

- 2.8 Following the WYG review of the Appraisal Specification Report, a draft of the full Business Case was submitted for review on the 31st October 2014, with the information provided (including all appendices) summarised in Section 3. Section 4 then provides a summary of the review findings.

3 Submitted Information

3.1 The Business Case independent assessment was carried out based upon the following reports and appendices submitted by Slough Borough Council and their consultant team:

- A332 Route Enhancement Full Business Case Report 31st October 2014
- Appendix A – LTB SEP Programme Entry Forms
- Appendix B – Scheme Drawing
- Appendix C – Options Assessment Report
- Appendix D – Appraisal Specification Report
- Appendix F – Appraisal Summary Table
- Appendix G – Environmental Technical Note
- Appendix H – Accident Assessment
- Appendix I – Distributional Impact Appraisal
- Appendix J – QRA and Risk Register
- Appendix K – Programme

4 Review

OPTIONS ASSESSMENT

- 4.1 Appendix C of the submitted Business Case provides a summary of the option assessment process undertaken covering strategic option sifting followed by a review of design options related to the preferred strategic approach.
- 4.2 The OAR states that the scheme proposed for current funding represents the best option in light of the complexity of the route. Therefore, no one specific option was taken forward. Instead two options have been taken forward to form the Final Business Case, both drawing on the benefits they create along the route and the problems identified within the OAR which include overcrowding and congestion, viability and vitality of the town centre, the need to improve the image and environment of Slough and socio-economic characteristics.
- 4.3 The preferred option is understood to consist of a combination of signal improvements and highway widening.
- 4.4 The options assessment complies with the DfT's WebTAG guidance for Options Assessment but no methodology on how each scheme was scored has been provided. As such it hasn't been possible to understand how some aspects of a proposal scored neutral, negative or positive points leading to the preferred option to be selected.

APPROACH TO MODELLING

- 4.5 The main impacts of the scheme have been assessed using the Slough Multi Modal Transport Model, which uses Saturn for highway assignment and EMME for public transport assignment and is a fixed assignment model.
- 4.6 The main initial discussion held with regards to modelling was to identify whether the scheme was reasonably expected to require a fixed highway assessment to be WebTAG compliant.
- 4.7 Following a review of the ASR changes to highway journey times reported do not appear material, as such it is agreed that, whilst desirable, variable demand modelling is not required in this case, mostly due to the scheme costing below £5m.

- 4.8 The base model is for a 2009 base year which is within the six year WebTAG guidance. It has been noted that the model has been updated to include 2014 network changes and we note that the journey times are comparable with 2014 TomTom data provided within Appendix E. The ASR states that the changes are largely in response to local traffic management schemes rather than people's travel patterns (as concluded within the SMaRT project).

BUSINESS CASE

Format and Content

- 4.9 Having undertaken a review of the submitted Business Case it was identified that it is comprehensive and covers each of the main categories expected for a scheme of this scale. A Business Case checklist is provided as **Appendix A**.
- 4.10 This checklist confirms whether each of the expected sub-sections within the 5 cases have been adequately covered within the submitted Business Case and provides explanatory notes where a specific area may not be fully addressed.

Value for Money

- 4.11 Based on revised BCR information received from Atkins, the stated Benefit to Cost Ratio (BCR) of the scheme is 2.1. However, the PVB value has been incorrectly inputted within Table 4-4 and should equate to 11,163 rather than 10,965 as stated. As a consequence this alters the NPV to 5,650 rather than the stated 5,452 and leads to an actual BCR of 2.025 which still represents a High Value for Money (VfM) scheme.

Appraisal Summary

- 4.12 A review of the appraisal summary contained within the Business Case submission is provided in Table 1 on the following page, areas where the review disagrees or queries the proposed level of benefit or disbenefit associated with the A332 scheme are detailed and explanatory notes provided (note some of these are an issue of the presentation of the results in the AST rather than the findings themselves).

4.13

Table 1 - Appraisal Summary

Category	Sub-category	Business Case Assessment	Agree / Disagree with Assessment	Notes
Economy	Business users & transport providers	A Quantitative assessment has been undertaken.	Agree	
	Reliability impact on Business users	A Monetary assessment has been undertaken.	Agree	
	Regeneration	Slight Beneficial	Agree	
	Wider Impacts	Slight Beneficial	Agree	
Environmental	Noise	Neutral	Disagree	We note the comment that <i>Further analysis was conducted on noise and air quality however no monetised benefit has been produced at this stage</i> and we query why? With an increase in traffic due to improvements to the road network then this may increase noise in the local area.
	Air Quality	Neutral	Disagree	See above.
	Greenhouse gases	A Quantitative assessment has been undertaken.	Agree	
	Landscape	Neutral	Agree	
	Townscape	Slight Adverse	Agree	
	Historic Environment	Neutral	Agree	
	Biodiversity	Neutral	Agree	
	Water Environment	Neutral	Disagree	With an increase of impermeable surface, water runoff could increase, leading to possible localised issues.
Social	Commuting and Other users	A Quantitative assessment has been undertaken	Agree	
	Reliability impact on Commuting and Other users	A Monetary assessment has been undertaken.	Agree	
	Physical activity	Neutral	Disagree	We note the comment that this has <i>Scoped out as not relevant to the nature of the scheme</i> . Therefore, how can this be scored as neutral?
	Journey quality	Neutral	Disagree	We note the comment that this has <i>Scoped out as not relevant to the nature of the scheme</i> . Therefore, how can this be scored as neutral?
	Accidents	A Quantitative assessment has been undertaken	Agree	
	Security	Neutral	Disagree	We note the comment that this has

				<i>been Scoped out as not relevant to the nature of the scheme'. Therefore, how can this be scored as neutral?</i>
	Access to services	Neutral	Disagree	We note the comment that this has <i>been Scoped out as not relevant to the nature of the scheme'. Therefore, how can this be scored as neutral?</i>
	Affordability	Neutral	Agree	
	Severance	Neutral	Agree	
	Option and non-use values	Neutral	Disagree	We note the comment that this has <i>been Scoped out as not relevant to the nature of the scheme'. Therefore, how can this be scored as neutral?</i>
Public Accounts	Cost to Broad Transport Budget	A Monetary assessment has been undertaken	Agree	
	Indirect Tax Revenues	A Monetary assessment has been undertaken	Agree	

Risks

- 4.14 The submitted Business Case includes a Quantified Risk Assessment, which provides a detailed breakdown of the project risks and associated weighted costs relevant to the project.
- 4.15 They have identified three aspects of risk, including;
- i) Approval risks, including delay in negotiations for land swap and preliminary design conformation;
 - ii) Cost risks, including capital costs increase and an underestimation of Statutory Undertaker costs, and;
 - iii) Delivery risks, including unknown service pipe lines damaged, delays during construction, working hour restrictions and highlighting issues with congestion on the A332 and issues concerning the construction of the SMaRT and A355 schemes which are planned to occur at the same period.
- 4.16 In light of reviewing the QRA it would be stated that overall the key issues for risk have been identified and suitable measures to mitigate from delay have been undertaken for a scheme of this size. The only exception to this relates to CPO which is understood to be required for the scheme, but the risk register does not take this into account.



Appendix A – Business Case Checklist

Project Number: A087383-07
 Scheme: A332 Route Enhancement
 Submitted by: Slough Borough Council

Strategic Case	Addressed within Business Case	Notes	Economic Case	Addressed within Business Case	Notes	Financial Case	Addressed within Business Case	Notes	Commercial Case	Addressed within Business Case	Notes	Management Case	Addressed within Business Case	Notes
Business Strategy	Y		Options appraised	Y		Costs	Y		Output based specification	Y		Evidence of similar projects	Y	
Problem Identified	Y		Assumptions	Y		Budgets / Funding Cover	Y		Procurement Strategy	Y		Programme / Project dependencies	Y	
Impact of not changing	Y		Sensitivity and Risk Profile	Y		Accounting Implications	N	But included within the Economic Case	Sourcing Options	Y		Governance	Y	
Drivers for change	N		Appraisal Summary Table	Y					Payment Mechanisms	Y		Programme / Project Plan	Y	
Objectives	Y		Value for Money Statement	Y					Pricing Framework and charging mechanisms	Y		Assurances and approvals	Y	
Measures for success	Y								Risk allocation and transfer	Y		Communication & Stakeholders	Y	
Scope	Y								Contract length	Y		Project Reporting	Y	
Constraints	Y	The scheme will be undertaken at the same time as the A355 proposal and the development of the SMART scheme							Human resource issues	N		Implementation	N	
Inter-dependencies	Y								Contract management	Y		Key Issues	Y	
Stakeholders	Y											Contract Management	Y	
Options	Y											Risk Management	Y	
												Benefits realisation	Y	
												Monitoring and evaluation	Y	
												Contingency	N	
												Options	N	